



**DeKalb County**  
**Department of Purchasing and Contracting**



## **ADDENDUM No. 3**

May 10, 2016

**TO:** ALL PROPOSERS UNDER REQUEST FOR PROPOSALS NO. **16-500399**

**FROM:** Department of Purchasing and Contracting, DeKalb County, Georgia  
For additional information, go to: <http://yourdekalb.com/purchasing/index.html>.

“Request for Proposals No. 16-500399 for Collection Assistance in the Recovery of Delinquent Accounts (Multi-Year Contract)” is hereby modified as follows:

- I. We have received questions pertaining to this RFP. In an effort to minimize redundancy, similar questions have been combined. The questions and their resulting answers appear below:
  1. Question: When is the anticipated contract start date?  
  
*Answer: TBD. Upon BOC approval, P&C will initiate execution of the contract. A sample County contract is included in the RFP.*
  2. Question: To what extent will the location of the bidder’s proposed location or headquarters have a bearing on any award?  
  
*Answer: The location or headquarters of the proposer will not have a bearing on the award.*
  3. Question: What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?  
  
*Answer: Zero dollars were paid last year for these services. There is not an incumbent.*
  4. Question: What collection attempts are performed or will be performed internally prior to placement?  
  
*Answer: Page 13, Section I. General Information states, “Before accounts are placed with an outside collections agency, internal collection efforts are made for ninety (90) days in an attempt to collect outstanding balances after termination of service. This only includes accounts in the INACTIVE status.”*
  5. Question: What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category? What is the monthly or quarterly dollar value of accounts expected to be

placed with the vendor(s) by category? What is the frequency of placements and volumes? (daily, weekly, monthly, one time placement, etc)

Answer:

- a) *The answer to this question pertains to the capacity level of the vendor and the severity level of delinquent accounts affecting DeKalb County.*

*DeKalb County will send the Debt Collector inactive and delinquent accounts (commercial & residential). Currently, DeKalb County has 1,400 Commercial and 130,000 residential accounts in an inactive or delinquent status.*

- b) *The answer to this question pertains to the capacity level of the vendor and the severity level of delinquent accounts affecting DeKalb County.*

*DeKalb County will send the Debt Collector inactive and delinquent accounts (commercial & residential). Currently, DeKalb County's commercial dollar value is \$1.9M and Residential is \$34.4M.*

- c) *DeKalb County will provide a report on a monthly basis. Historical data are not available because there is not an incumbent.*

6. Question: What is the average age of accounts? Will the current inventory of \$61.2 million be recalled from the current service provider(s) and placed with the new service provider(s)? If so, how will that inventory be distributed?

Answer:

- a) *The average age of accounts will vary, but DeKalb County will send the Debt Collector delinquent accounts with an age between 90-180 days.*  
b) *There is not a current service provider.*  
c) *Please refer to the answer for 7a.*

7. Question: How many agencies will be used going forward?

Answer: *Refer to Section I, Introduction (Page 4). The Department of Finance reserves the right to award multiple contracts for different collection services.*

8. Question: Can you share what your current agency rates and agency stats/scorecards are?

Answer: *Not applicable.*

9. Question: How is market share distribution determined (performance based or equal distribution)?

Answer: *The distribution is based on DeKalb County's preference which will coincide with the contract for each Debt Collector, if DeKalb County chooses multiple vendors.*

10. Question: What is the current 6-month and/or 12-month liquidation rate?

Answer: *This question cannot be answered at this point.*

11. Question: How long will each account be left with the successful vendor?

Answer: *Accounts will be left with the successful vendor at least a period between three to six months.*

12. Question: What is the average balance of accounts by category?

Answer: *\$1,000.00*

13. Question: Are accounts with payment arrangements on them recalled the same as others?

Answer: *If the customer already has a payment arrangement with DeKalb County, then the account will remain with DeKalb. Once an account is submitted to the Debt Collector, then the vendor has the option to utilize the payment arrangement option.*

14. Question: Are there any litigation expectations?

Answer: *There are no specific litigation expectations at this time. The County reserves the right to change or supplement this answer.*

15. Question: Are there any settlement opportunities?

Answer: *There are settlement opportunities, but those will be determined on a case-by-case basis.*

16. Question: Is credit reporting expected/allowed?

Answer: *Credit reporting is expected and allowed. Please refer to page 7, number 16.*

17. Question: Will companies who are minority owned receive preference? Is it required to have an LSBE, MBE, or WBE for this project? Are Items J and K on page 19 of the RFP requirements of this project?

Answer:

- a) *No percentage/preference points shall be given for being an MBE or WBE, unless that MBE or WBE is also a certified LSBE (MSA or DeKalb). Points will only be given for proposing a certified LSBE (MSA or DeKalb) that meets or exceeds the County's LSBE participation benchmark of 20%.*
- b) *The DeKalb County LSBE Ordinance requires that all responders shall obtain a minimum of 20% Local Small Business Enterprise (LSBE) participation or make a documented Good Faith Effort (GFE) to obtain participation. We believe this is attainable since we provide potential responders with a list of the DeKalb County certified LSBE vendors from which to select.*

*Also, we provide the First Source Registry (employee database) for the County's requirement to make a good faith effort to hire DeKalb County residents. We do not require responders to obtain Minority Business Enterprise (MBE) and/or Women Business Enterprise (WBE) participation.*

- c) *Please refer to the answer for 19b.*

18. Question: Are there existing work standards? If so, please provide.

Answer: DeKalb County utilizes their Revenue Protection Department for in-house collection efforts.

19. Question: What is the current engagement model (Contingency, FTE, monthly, transactional, hourly)?

Answer: Not applicable.

20. Question: What is the current remit process?

Answer: Account Payables will submit a check based on the commission calculation which will be determined in the contract.

21. Question: Why is the current project out for bid?

Answer: There is currently not a debt collector providing services for DeKalb County.

22. Question: Can you please provide an aging report by year for receivables that are over 90 days?

Answer: DeKalb County will provide an aging report once the contract is awarded. Please refer to page 6 of the RFP to get an idea of the dollar value of our aging report for receivables greater than 90 days old. We don't know exactly how many accounts awarded proposer(s) will receive on a monthly or quarterly basis.

23. Question: Will agencies be allowed to keep accounts longer that are on a payment plan?

Answer: Yes. The payment plan extension will be negotiated during the contract; however, the expectation will not last longer than six months.

24. Question: What is your number one measurement when working with agencies? Gross liquidations, net back, compliance, etc.?

Answer: Our number one measurement is the amount of money collected based on the outstanding debt.

25. Question: Is any skip work done on accounts before they are sent to agencies? If so, are you passing skip-located cell phones to the agencies?

Answer: No skip work will be done prior to sending the account to the debt collector.

26. Question: Do you use an auto dialer for any phone calls?

Answer: DeKalb County does not utilize an auto dialer for any phone calls. The Debt Collector will need to utilize their own resources to contact DeKalb County customers.

27. Question: How do you handle utility reconnects? Is an agency paid for a re-connect if they can show efforts to cure the account?

Answer: DeKalb County Utility Customer Operations utilizes the Field Service Division to disconnect and reconnect water accounts. Currently, DeKalb County does not outsource this service.

28. Question: If an agency can show audits or certifications equal to greater than item 38 on page 9 of the RFP, would this be acceptable?

Answer: This would be acceptable.

29. Question: Given the relatively short window of time between the due date for questions (and subsequent time for the County to provide responses) and the date for which Respondents will need to finalize and ship their proposals, will the County consider extending the due date for this procurement?

Answer: The deadline to submit proposals has been extended to Tuesday, May 17, 2016, at 3:00 p.m. EST.

30. Question: Can respondents include a Table of Contents and/or a Cover Letter as part of their response to the RFP? If so, should the document(s) be tabbed and included following the *Proposal Cover Sheet* as the required first page of the Technical Proposal?

Answer:

- a) Yes.
- b) Yes.

31. Question: Can the County provide historical liquidation rates at 3 months, 6 months, 9 months, and 12 months?

Answer: No.

32. Question: On pages 6-10 of the RFP, respondents are presented with a table of minimum requirements to which to respond Yes or No. However, the proposal format as described beginning on page 13 does not provide direction on where or how to include the completed table in the proposal. Please clarify. Can respondents include an additional tab (e.g., B. Minimum Requirements) to include this table, perhaps just before Section A. Technical Approach?

Answer: Yes.

33. Question: Also regarding table B. Minimum Requirements:

- a) If a Respondent has to indicate "No" for one or more requirements, does doing so disqualify them from consideration, even if they have provided an explanation?
- b) Question 7 in table B. Minimum Requirements indicates that respondents must provide "unlimited customer support to County personnel during Respondent's business hours." Can the County clarify what is meant by "unlimited customer support"?
- c) For Questions 21 and 22 in table B. Minimum Requirements, Respondents are instructed that they can "use cell phone numbers and other means of communication to contact the delinquent

account owner...” Based on this statement, does the County indeed have such consent from the delinquent account owner, and can that consent be assigned to a third party?

Answer:

- a) No.
- b) *Unlimited customer support is any legal effort relating to the performance of collections assistance, as defined in RFP 16-500399, during normal business hours. Normal business hours are from 8:00am – 5:00pm (Eastern Standard Time).*
- c) *Any cell number or other means of communication was provided by the delinquent account owner upon account setup. Debt Collectors have authority to contact the delinquent account owner using any information DeKalb County provides.*

34. Question: Beginning on page 14 of the RFP, there are various references to and requests for information regarding provision and reporting of legal services. Can the County provide some parameters for legal action as it currently exists and/or is performed, including but not limited to monthly/annual case volumes and dollar volumes for litigation executed under the current contract?

Answer: *There currently are no County parameters for legal action in this context. The County reserves the right to change or supplement this answer.*

35. Question: On page 17 of the RFP under Criteria for Evaluation, respondents are advised that the area of Litigation Procedures can earn up to 10 points in evaluation. However, item f under Section 4. Technical Approach, item f under Section 5. Project Management, and item c under Section 7. Organizational Qualifications appear to be the only areas seeking information about litigation procedures. Please clarify or confirm whether the responses to these sections comprise the sole content to be evaluated for this criterion.

Answer: *Yes, these sections comprise the sole content to be evaluated for Litigation Procedures.*

36. Question: Also on page 17 under Criteria for Evaluation, respondents are advised of a bonus of up to 10 additional points for “Local Small Business Enterprise Participation (Good Faith Effort).” Are these bonus points available to be awarded for demonstrating that good faith effort but not ultimately proposing a qualifying LSBE as a subcontractor? Or is eligibility for these bonus points predicated on proposing an actual LSBE subcontractor?

Answer:

- a) No.
- b) *Yes. Although demonstrating a “good faith effort” is a requirement, no bonus points shall be awarded for that. Bonus points are given for obtaining a qualifying LSBE (MSA or DeKalb) that meets or exceeds the County’s LSBE participation benchmark of 20% as a prime contractor, subcontractor, or sub-subcontractor. If LSBE participation is not obtained, responder must provide a documented Good Faith Effort. No Bonus points are given/allowed for Good Faith Efforts.*

37. Question: With regard to the Required Documents Checklist provided on pages 20-21 of the RFP:

- a) Respondents are directed to include a document that lists Exceptions to Contract (if any). However, a formal document was not provided to be completed and included. Is a formatted document for this forthcoming from the County, or can/should respondents create their own document for this item?
- b) Respondents are directed to provide a copy of their business license as part of their proposal. However, under *L. Business License* preceding this checklist, respondents are advised that they will need to submit a copy of their business license upon award of the contract. Please advise whether a copy of the Business License is required to be submitted with the proposal.

Answer:

- a) *Create your own document or list for Exceptions to the Contract and include it in your response.*
- b) *It may be submitted upon award.*

38. Question: Some of the mandatory forms to be submitted (including *Attachment D Subcontractor Reference and Release Form*, pages 28-29) presuppose that prime contractors will include a subcontractor as part of their proposal. If a respondent does not end up proposing a subcontractor (whether LSBE or otherwise), should the respondent still return these forms as part of their proposal?

Answer: *Yes, you should return it and write "N/A" on the form if it does not apply.*

39. Question: Also regarding Attachment D, please confirm whether the County is seeking the signature of the prime contractor or of the proposed subcontractor at the bottom of this form.

Answer: *Attachment D is seeking the signature of the proposed subcontractor.*

40. Question: For Exhibit A as provided beginning on page 32 of the RFP, the fields for "Solicitation Number" and "Title of Unit of Work" have been pre-populated with a number and title that are unrelated to RFP No. 16-500399 Collection Assistance in the Recovery of Delinquent Accounts. As part of completing Attachment E, can/should respondents correct this information accordingly, or will the County reissue this form with the correct information?

Answer: *Respondents should correct this information accordingly and submit the form.*

41. Question: On Exhibit B on page 38 of the RFP, respondents are advised that "executed contracts between the Prime and LSBEs must be submitted with the bid documents." As these might be difficult to finalize and obtain in time to include with the proposal, can a fully executed contract instead be provided upon award of the contract?

Answer: *Yes, a fully executed contract shall be provided upon award of the contract.*

42. Question: Can respondents include an Appendix as part of their response to the RFP? Or would the County prefer that referenced items (e.g., implementation schedule, sample reports, etc.) be included at the end of the respective section in which they are initially mentioned?

Answer: *Yes, respondents can include an Appendix as part of their response to the RFP.*

43. Question: On page 8, item # 23 states: “The Respondent must not communicate with the residential account at his or her place of employment. Any breaches of this matter may result in termination of the contract.” If the FDCPA allows calls to a consumer’s place of employment, why is the county NOT allowing this?

*Answer: We will allow for calls at work; however, FDCPA guidelines must be followed. The FDCPA states the following:*

*4. Calls at work*

*(Section 1692(a)(3)). Debt collectors may not call you at work if they have reason to know your employer forbids such communication (e.g., you or your employer has verbally informed them).*

44. Question: If we are proposing a subcontractor who is LSBE certified in the MSA, do they also need to be certified specifically by DeKalb County as well?

*Answer: Yes, the LSBE Ordinance requires that LSBE certifications be issued by DeKalb County only. DeKalb County issues two types of certifications: 1) LSBE-DeKalb is for qualifying businesses located in DeKalb County, Georgia; 2) LSBE-MSA is for qualifying businesses located in at least one of the following counties in Georgia: Cherokee, Clayton, Cobb, Douglas, Fayette, Fulton, Gwinnett, Henry, and Rockdale.*

*In the above scenario, the advantage of employing a subcontractor with both LSBE-DeKalb and LSBE-MSA statuses is that you would qualify for the LSBE-DeKalb preference, as long as a minimum of 20% LSBE participation is achieved.*

45. Question: Will the full 5 points be awarded for LSBE/MSA participation if our subcontractor has applied for DeKalb certification, but is still pending certification at the time of submission?

*Answer: No, LSBE certification must be completed and submitted with proposal in order to receive bonus points.*

46. Question: This question relates to page 6 of the specifications. Can you provide a breakdown of the number of delinquent accounts and average balance for both residential and commercial?

*Answer: The average balance is \$1,000.00. DeKalb County will send the Debt Collector inactive and delinquent accounts (commercial & residential). Currently, DeKalb County's commercial dollar value is \$1.9M and Residential is \$34.4M. Currently, DeKalb County has 1,400 Commercial and 130,000 residential accounts in an inactive or delinquent status. DeKalb County does not have a current vendor.*

47. Question: Does DeKalb County add any late fees or other penalties to a principle balance at any stage of delinquency prior to placement for collection? Does DeKalb County intend for collections fees to be added to each account? If the answer to the preceding question is yes; will DeKalb County add the collection fees to each account before they are placed with an agency or after they are placed with an agency? Does DeKalb County intend to charge interest to account balances that are delinquent and placed for collections? Does DeKalb County report these accounts to the credit bureaus internally? Does DeKalb County intend for the collection agency(s) to have third party collection activity reported to the credit bureaus?



Answer:

- a) Yes.
- b) No.
- c) No.
- d) Not at this time.
- e) No.
- f) Yes.

48. Question: Please provide the formula or methodology that DeKalb County intends to use for calculating performance? For example, gross collections as a % of gross placements, are adjustments and recalls taken out of the calculation base?

Answer:

- a) Due to DeKalb County not having an incumbent Debt Collector, a formula or methodology has yet to be determined.
- b) However, DeKalb County expects the industry standard or above for gross collections as a % of gross placements. Adjustments will be made or considered on a case by case basis but they will still be included in the overall calculation. Recalls will be taken out of the calculation base.

49. Question: In the event an agency has been actively working an account and a debtor who has been contacted by a collection agency pays DeKalb County directly for any reason (what we call a direct pay); how does DeKalb County intend to report those payments to the agency and pay the agreed upon fee?

Answer: Please refer to page 10 of the RFP, Section C, Account Collections: Deposits and Reporting.

50. Question: How many judgments were docketed in DeKalb County, and how many were docketed in other Georgia counties?

Answer: None.

51. Question: Please clarify the term CIS Agnostic, Page 7. What does "CIS Agnostic" mean?

Answer: This pertains to file transfers to DeKalb County's Customer Information System.

52. Question: In regards to afterhours support, does DeKalb need IT support or Client support?

Answer: No after-hours support will be needed since we close at 5pm.

53. Question: In regards to vendors outside DeKalb County, does the LSBE participation apply (Attachments E, H &I)?

Answer: Yes.

54. Question: What criteria will we be evaluated on in regards to litigation?

*Answer: There are no specific criteria at this time. The County reserves the right to change or supplement this answer.*

55. Question: Do you allow a redacted version to protect confidential and proprietary information?

*Answer: Yes, we do. We protect confidential and proprietary information to the extent that the law will allow.*

- II. If a proposal has been submitted and anything in this Addendum causes the respondent to change the services offered or to increase or decrease the quoted price, the new Cost Proposal and / or Technical Proposal must be labeled as such and submitted in accordance with Section IV-A, Section IV-B, and Section VI-B of the RFP.
- III. All other conditions remain in full force and effect.
- IV. Please acknowledge addenda by signing and returning the Addendum form.



Randy Webb  
Procurement Agent  
Department of Purchasing and Contracting

#### ACKNOWLEDGEMENT

Date \_\_\_\_\_

The above Addendum is hereby acknowledged:

\_\_\_\_\_  
(Name of Proposer; Company Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

DMR/raw